The issue that remains to be resolved is the vacation by Pakistan of the territory illegally occupied by it.

(e) India remains committed to discussing all outstanding issues with Pakistan through peaceful, bilateral dialogue in accordance with the Simla Agreement and the Lahore declaration. Successful implementation of the present step by step process for normalisation of links, and credible steps by Pakistan to end cross border terrorism on a permanent basis, would be necessary for creating an atmosphere conducive to sustained dialogue.

Discussion on Sikkim and McMohan Line with Chinese leaders

484. SHRI MANOJ BHATTACHARYA: Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) whether during his visit to China last month, the Prime Minister held discussions with the Chinese leaders on the question of Sikkim and McMohan Line;

(b) if so, the details thereof and the reaction of the Chinese leaders thereto; and

(c) if not, the reason therefor?

THE MINISTER OF STATE IN THE MINISTRY OF EXTERNAL AFFAIRS (SHRI VINOD KHANNA): (a) to (c) Following the understandings reached during Prime Minister's visit to China in June 2003, the process has been started by which Sikkim will cease to be an issue in India-China relations.

During Prime Minister's visit, the two sides exchanged views on the India-China boundary question and reiterated their readiness to seek a fair, reasonable and mutually acceptable solution through consultations on an equal footing. It was agreed that pending an ultimate solution, the two countries would work together to maintain peace and tranquility in their border areas, and continue to implement the agreements signed for this purpose, including the clarification of the Line of Actual Control. India and China also agreed to each appoint a Special Representative to explore from the political perspective of the overall bilateral relationship the framework of a boundary settlement.